March 20, 2003

**VIA HAND DELIVERY**

Mary Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, Massachusetts 02110

>    RE:    *Petition of Cape Light Compact for Approval of a Municipal Aggregation*
>    *Default Service Pilot Project, D.T.E. 01-63*

Dear Ms. Cottrell:

    In conformance with the October 23, 2001 Order ("Order") of the Department and Telecommunications and Energy (the "Department") in the above-referenced document and the Department's letter ruling dated February 19, 2003 (approving the Compact's request for an extension of time until March 18, 2003 to file the report), the Cape Light Compact ("Compact") hereby files its report on the Pilot Project.

    The report describes in detail the Compact's experience with the Pilot Project to date.  As set forth in the report, that experience has been a very successful one, as the Pilot Project has brought the benefits of a lower-priced competitive supply to tens of thousands of consumers on the Cape and Vineyard who would otherwise likely have been provided Default Service.  The Compact submits that the empirical evidence regarding its program demonstrates that it has in fact enhanced the prospects for the "long-term success of the competitive marketplace," Order at p. 8, and should result in actions designed to facilitate similar programs and even greater opportunities for competitive supply alternatives.  The pilot also teaches that the municipal aggregation process offers a meaningful opportunity to reduce transactional tasks and resulting expenses such that it is cost-effective to provide lower-cost supply for consumers, suppliers, aggregators and local distribution companies.

    As directed by the Hearing Officer, a copy of the report is also being provided to the attached list of participants in the earlier proceedings in this docket.  The Compact is submitted an original and

eight copies to the Department.

Sincerely,

Jeffrey M. Bernstein

JMB/drb
Enclosures

cc:      [list]
         Attached Service List